

AMENDED IN ASSEMBLY MAY 29, 2003

AMENDED IN ASSEMBLY MAY 6, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1181

Introduced by Assembly Member Ridley-Thomas

February 21, 2003

An act to add Section 381.1 to the Insurance Code, relating to automobile insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1181, as amended, Ridley-Thomas. Automobile insurance: rating information disclosures.

Existing law requires that an insurance policy shall specify various information.

This bill would require that a policy of automobile insurance contain, at policy issuance and in each renewal notice sent prior to the renewal of the policy, a rating information disclosure regarding the information that was applied in determining the premium that was charged for the policy. The bill would require that the policy specify various information that was used as the basis for rating the coverage, including, among other things, the traffic convictions and the number of at fault property damage and bodily injury accidents for each rated driver or vehicle. *It would require compliance with these provisions by March 1, 2004.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 381.1 is added to the Insurance Code, to read:

381.1. (a) The information described in subdivision (b) shall be provided to the policyholder at the time of application for, or issuance of, a policy of automobile insurance, as defined in Section 660, and in each renewal notice sent prior to the renewal of the policy. However, information described in paragraphs (1) and (2) of subdivision (b) may be provided to the policyholder separately upon request. The information shall not be presented as an abbreviation or code unless a key to the abbreviations or codes used is also included.

(b) For each rated driver or vehicle, as applicable, the number of incidents or other relevant data that apply to each of the following categories:

- (1) Traffic convictions.
 - (2) At-fault accidents (property damage or bodily injury).
 - (3) Estimated annual mileage driven.
 - (4) Years of driving experience.
 - (5) Vehicle use (e.g., pleasure, commute, business).
 - (6) ZIP Code of the location where the vehicle is garaged, if different from the mailing address of the policyholder.
 - (7) Driver-related discounts applied.
 - (8) Vehicle-related discounts or surcharges applied.
- (c) The disclosure of information required by this section may contain additional provisions that are not in conflict with, or derogation of, these provisions.
- (d) *Each insurer shall comply with this section no later than March 1, 2004.*